



MICRO LOAN FUND FOR ARTISTS



Funded by the Montana Arts Council

Administered by the Ravalli County Economic Development Authority

The Montana Arts Council is pleased to announce a Micro Loan Program for Artists

This Micro Loan Program is created to provide capital to artists in micro businesses that need capital but may not be eligible for traditional loans for a variety of reasons.

The Micro Loan Fund is underwritten by private funding to the Montana Arts Council from Leveraging Investments in Creativity (LINC), a New York based foundation. The fund is administered by the Ravalli County Economic Development Authority (RCEDA).

Term of Loans

- Dollars available: Up to \$1,000
- Interest Rate: 5% per year
- Maximum Time: Five years

Selection Criteria

All borrowers in this program must be artists operating Montana-owned and -based businesses. Priority will be given to those artists who are participants in the Montana Artrepreneur Program (MAP). All borrowers must have a business plan and financial projections (and, YES!, help is available to do this– see Technical Assistance below).

Technical Assistance Available

All borrowers must have a business plan and financial projections, including a cash flow showing that they can pay back the loan and maintain a positive cash flow. Enrollment in MAP provides guidance in these areas and RCEDA offers technical assistance in developing these documents.

Eligible Use of Funds:

- Working Capital (including, but not limited to, inventory and supplies, marketing/promotions, accounts payable, wages, and operating expenses.)
- Construction/Expansion/Repair
- Acquisition and/or Repair of Machinery and Equipment

Application Procedure

Applicants are required to complete a MAP Micro Loan Program Fund application and provide such additional information as may be required by RCEDA. The contact for this program is RCEDA Executive Director Julie Foster at Julie@rceda.org or (406) 375-9416.

Fees

- A one-time \$25 application fee payable to RCEDA is required of all applicants.
- Uniform Commercial Code (UCC) and recording fees will be paid by the borrower.
- An annual \$20 administration fee payable to RCEDA by the borrower.

Equity

At least 20% owner equity in the entire project cost is expected.

Collateral

Collateral can take the form of a real estate mortgage, contract assignment, equipment, machinery, furniture, fixtures, accounts receivable and/or inventory.

Guarantees

Personal guarantees are required.

Credit Report

A credit report or credit score on the borrower may be requested.

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